



MEMORANDUM

DATE: August 10, 2004

TO: Mayor John Howe
Vice Mayor Dean Chu
Councilmember Fred Fowler
Councilmember Otto Lee
Councilmember Julia Miller
Councilmember Ron Swegles

FROM: Councilmember Melinda Hamilton

SUBJECT: Committee Report of the Downtown Roundtable on Concerns
Related to Proposed Construction

REPORT IN BRIEF

At the May 11, 2004 City Council meeting, I proposed a roundtable with the small downtown businesses that would consist of three councilmembers meeting with 10-12 downtown merchants to discuss their concerns and needs and put them in touch with the developer. Mayor Howe established a Council ad hoc committee comprised of Councilmembers Hamilton, Fowler and Lee to meet with downtown merchants to discuss and receive input about potential concerns that might arise from the effects of the proposed construction in a manner similar to the roundtable discussions of the recent Auto Dealers ad hoc committee.

This report will identify concerns of downtown businesses and their suggestions for mitigating the potential impacts of the construction related to redevelopment of the Town Center Mall area. The purpose of this report is to highlight concerns expressed by the downtown businesses in advance of approving the Special Development Permit and Development and Disposition Agreement so that they can be taken into consideration as the City Council and the Redevelopment Agency take action on these items.

BACKGROUND

On June 28, 2004, I convened a meeting with downtown business representatives. Letters were mailed to all businesses in the area bounded by the north side of El Camino Real, west side of Mathilda Avenue, north side of Evelyn Avenue and east side of Carroll Avenue. Seventeen businesses participated in the meeting. The purpose of the meeting was to focus on potential

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impacts of the redevelopment of the Town Center Mall (Block 18) which is anticipated to begin in early 2005. Some demolition activities may be started in 2004 provided they can be completed by the start of the holiday shopping season (by the end of October).

Some attendees remarked on the overall plan for the downtown. Their comments were noted on the charts and transcribed into the attached notes from the meeting (Attachment A), but will not be discussed as part of this report. They have been notified of this report on the August 10 City Council Meeting and the discussion of the special development permit for Block 18 and the Development and Disposition Agreement on the agenda for August 17, and that they should attend the upcoming meetings which will focus on the plan and design elements for the redevelopment of the mall area.

DISCUSSION

The business representatives who attended the Downtown Forum made suggestions about what the City should consider putting in place to address construction mitigation during the redevelopment of the mall area. The suggestions have been organized into six categories: marketing, communication, signs, parking, Special Development Permit (SDP) requirements/enforcement, and miscellaneous suggestions.

Marketing

In planning for and living with the construction, the City and the developer should have a marketing plan and a dedicated staff or point person to implement the plan. The plan should have a theme that will send a strong message that the businesses are here. It should be a call to action and say more than just "we're here." The staff should work with the media to ensure that the image and perception during construction is that the downtown is open for business. Some elements of the plan would include cooperative advertising, posters and fliers.

Because of the nature of construction, businesses are concerned about the attractiveness of the area during construction. They have questions about how the project be closed off and boarded up and how we can make it attractive and appealing as possible. They would like to use the fencing as signs that would tie into the marketing theme or direct people into the downtown, to parking, etc. One suggestion that came up during the Roundtable and was subsequently expanded upon was the idea of having artwork on the construction fencing and clear glass "windows" to allow visitors to see the progress being made in construction. One of the suggestions for artwork was maybe to invite local schools to allow students to paint murals on the fencing.

Communication

The City should ask for a communications plan from the Forum Group. Business need to know the overall magnitude of the project – not just phases or increments or on a "need to know" basis. The most effective ways to communicate include hand delivered notices, hotline with recorded updates, regular meetings between the City and the businesses, participation in meetings with contractors and subcontractors, provide information at the Library and on the City web site with photos and information about what is going on, and a developer hotline with a live person 24/7.

For utility relocation, the businesses want to make sure there is adequate notice when there will be closures or utility interruptions and make sure that business schedules are a priority. The City and the developer should get information from businesses as to when certain construction activities should be restricted. Can the City require that they do some of the utility work at night to avoid utility outages during business hours? This would have to be reviewed in conjunction with issues related to noise impacts.

Signs

The City has completed phase 1 for development of the wayfinding system into and around downtown. The City should analyze what part or parts of the wayfinding system can be implemented now and what can be done both permanently (preferred) and temporarily. There should be a strong focus on Mathilda and El Camino Real to direct people to the downtown. The wayfinding plan looked and the Downtown Specific Plan talked of a gateway feature at Mathilda and Washington. This should be explored further. Cupertino has an attractive banner program that was designed to address construction. The City should look at that model to see what could be considered for Sunnyvale.

During construction, the businesses have asked that the signs not emphasize the construction, but instead be more upbeat and focused on the positive aspects of downtown. This type of verbiage could potentially have the additional benefit of outliving the construction project and being useful after block 18 reconstruction is finished. In addition, the slides that were handed out at the meeting (prepared by Jonathan Thalberg, a member of the Sunnyvale Downtown Association) emphasized the need to start this process now before construction begins. A copy of the slides is included in this report as Attachment B.

Parking

The majority of the businesses liked the Downtown/Parking Ambassador program that was in place during the Mozart development project. It should be noted that the parking ambassadors were not universally liked. The ambassador would or could enforce parking as well as distribute information and answer questions about the construction. This could include fliers about upcoming work that might impact businesses (utility work or night work), information about meetings about the downtown construction, distribution of newsletters, or generally talking to or surveying merchants and patrons to hear what is of concern so that the City can address issues in a timely manner before they become major challenges or problems. Staff should review the effectiveness of parking enforcement being done by the Ambassador or by Public Safety. Generally, businesses agreed that there should be a 3 hr. limit, identification of convenient parking (maps, brochures, posters, etc.), and outreach to improve the perception of underground parking. Construction of parking facilities should be phased so that parking is always available.

During the Mozart construction, there were problems with construction workers using public spaces. The City should explore ways to strictly enforce construction parking in non-retail areas and fine the developer if construction workers park in retail spaces.

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Special Development Permit (SDP) Requirements/Enforcement

Businesses want to expand and define the boundaries of downtown that the Forum contractors must maintain during construction, including street sweeping on Sunnyvale Avenue and surrounding streets, including the area south of Washington. Dust creating activities should be restricted during the lunch hours. They would like to see a plan for controlling dust during demolition and construction, and for routing of construction trucks and staging areas.

Construction contractors need to have requirements in writing with accountability and clear and enforceable guidelines. The City and the developer should define the phases of construction with timelines, and the City needs to hold developers to timelines. This was a major issue for the downtown businesses – the developer must be held accountable.

Miscellaneous

Some of the businesses are willing to *talk about* a temporary assessment to help pay, but they did not commit that they would approve an assessment. They were interested in whether the City would fund the upfront costs of starting Business Improvement District by paying the upfront costs to form a BID and to manage the process.

The businesses in Town & Country asked the City to look into upgrading the lighting in that area.

Some businesses want to have the Art & Wine festival back in Town & Country, others do not.

Next Steps

When approached to schedule a follow up meeting with merchants about signs, it was determined that this would not be necessary. A presentation about their issues was prepared by Jonathan Thalberg, a member of the Sunnyvale Downtown Association. The presentation is attached to this report. The purpose of this report is to highlight concerns expressed by the downtown businesses in advance of approving the Special Development Permit and Development and Disposition Agreement so that they can be taken into consideration as the City Council and the Redevelopment Agency take action on these items.

The subcommittee respectfully submits this report and is ready to answer any questions.

PUBLIC CONTACT

Public contact was made through posting of the Council agenda in public places, on the City's web page, and the publication of the general business/public hearing items in the San Jose Mercury News. The report was also submitted to all business representatives who attended the Downtown Roundtable on June 28 and they were notified that the item is posted for discussion at the August 10 Council meeting.

ALTERNATIVES

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1. Accept the committee report of the Downtown Roundtable on concerns related to the proposed construction.
2. Do not accept the committee report of the Downtown Roundtable on concerns related to the proposed construction.

RECOMMENDATION

The committee recommends Alternative #1.

Downtown Roundtable – June 28, 2004
Flip Chart Notes

- Process for final approval, decision final?
- Keep Washington/Block 18 the same
- Don't open McKinley all the way through
- Question -who generates more taxes – housing or business?
- Until 1999 – business booming
- Hiring people in DT would seem to help business
- What is the average gross income in Sunnyvale?
- Need shopping for middle income families

How to prosper during construction?

-
- Cooperative advertising
 - Signs / direction (more than “its here”) – call to action
 - Wayfinding – implement part of it now
 - Let people know businesses are here
 - Look at Cupertino
 - ✓ Banner program
-
- Temporary assessment to help pay – willing to discuss
 - Focus – Mathilda/El Camino Real pointing to DT (signs)
 - Business Improvement District? BID
 - ✓ Survey
 - ✓ Need \$ to manage development
 - ✓ Mall management role?
 - Balance with other commercial – retail areas

- Sign – Mathilda/Washington “gateway” – “arch”
- Review wayfinding report
 - ✓ ID components that can be immediately implemented (look at temporary and permanent)
- How the project will be closed off/boarded – Make barricades attractive “specific requirements” with teeth (fine) – use as signs
- Media – need perception that DT is open – need Marketing plan – designate a communications point person (Forum Group and/or City)
- Parking:
 - ✓ 3 hr. limit/enforce
 - ✓ Problems finding parking (convenience)
 - ✓ Perception of underground parking
 - ✓ Problems with construction workers using public spaces
 - ✓ Parking ambassador – PDA to monitor violations/fines
 - Attitude
 - Need clear rules
 - Maps of DT
 - Public Safety
 - Fliers
 - Outreach
 - Posters (updates)
- Accurately communicate to businesses about the magnitude of project
- Utility relocation – notice to business
- Lighting problem in T&C – street enhancement/visibility
Street lights – tie unto mall project
- Art & Wine no longer in T&C (exposure) some like it – some do not
- South of Murphy not treated as part of DT – wash streets on Sunnyvale Avenue during construction
- Expand/defined boundaries of DT for Forum to maintain – written requirements with accountability

- Routing of construction trucks & staging area – clear & enforceable guidelines/signs
- Dust control during demolition

Communication

- Posters
 - From business – when to restrict
 - City web site
 - ✓ Feel for what is going on
 - ✓ Pictures
 - ✓ Updates
 - Communications – City employee?
Chamber can support – how?
Role of Forum Group?
 - Hotline – Forum? City?
Live person 24/7
-
- Ask Forum Group – their plan
 - Most effective way to communicate?
 - ✓ Hand deliver notices
 - ✓ Hotline
 - ✓ Regular meetings
 - ✓ Process to enforce
 - ✓ Participate in contractor meeting
 - Hold developer to timelines
 - Hold developer accountable
 - Define phases with timelines
 - Concern over start date of demolition
 - Use the Library to communicate to the community

Next Steps

- Prepare report to City Council with recommendations

Historic Downtown

Where is it?

Who We Are

- Members of the Downtown Association
- A group of concerned merchants
- People who care
- Businesses who want to see progress
- Businesses who want to be successful

- | | |
|--|---|
| <input type="checkbox"/> It's Delicious | <input type="checkbox"/> Lunatic Fringe |
| <input type="checkbox"/> Mystque | <input type="checkbox"/> Leigh's Favorite Books |
| <input type="checkbox"/> The Hidden Closet | <input type="checkbox"/> Shop We Will |

Understand

- ...we want to make sure people know we're here
- ...we want to promote a healthy and vibrant downtown
- ...we want to ensure our business health during construction
- ...we realize that there will need to be permanent signage programs once the mall is completed – the objective here is to fill the gap from now to then

this must happen now!!

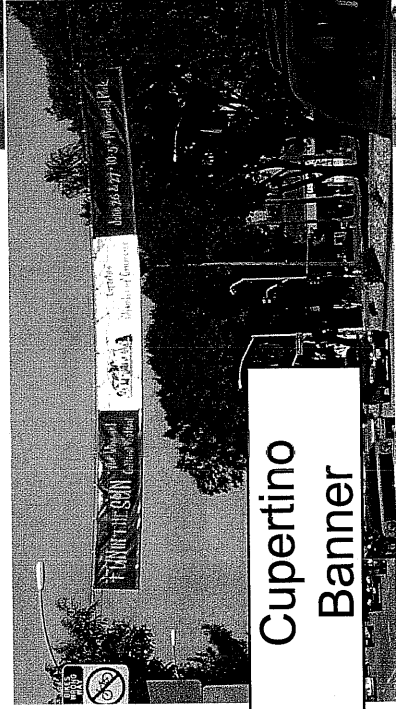
Impact

- If we begin this program now, standards will be established for the FORUM group to utilize
- The existing merchants will be able to enjoy business while the Forum at Sunnyvale is under construction
- The city will put forth an image that it is trying to maintain existing businesses while the new area is under development

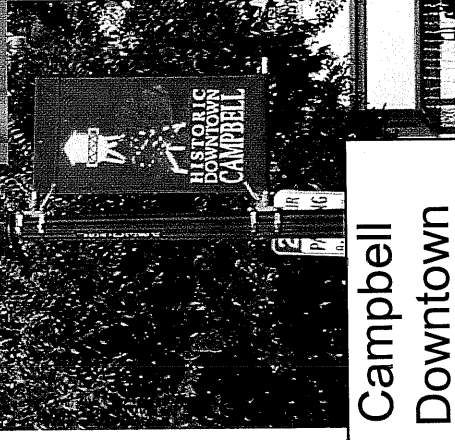
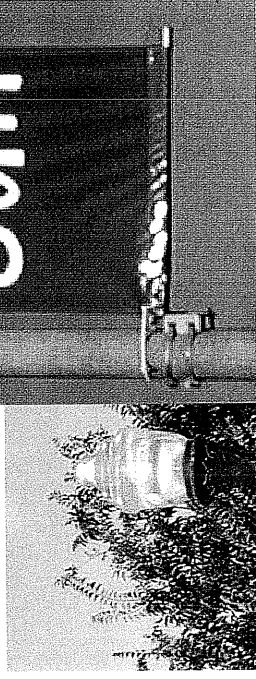
How?

- Signage Locations
 - Corner of Mathilda and Washington
 - Along Sunnyvale Avenue
 - Down Murphy
- Types of Signage
 - Banner to span roadways
 - Light Posts
 - Buildings

Cupertino
Promo



Cupertino
Banner



Campbell
Downtown

Promotional Activities

■ Festivals

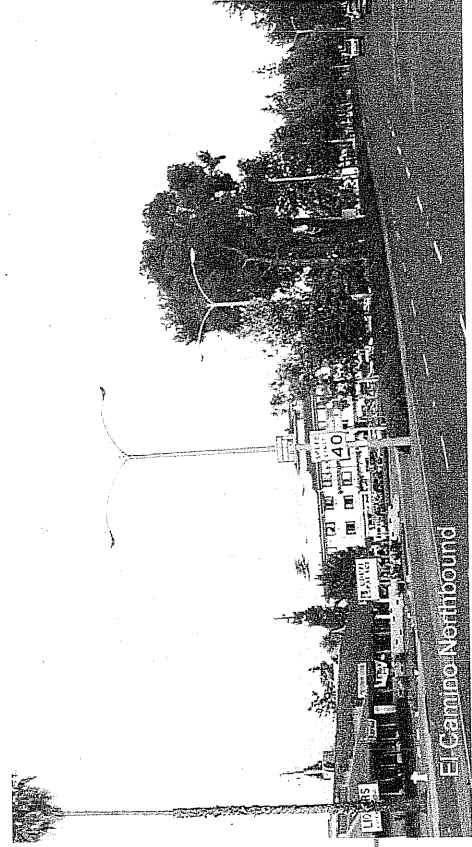
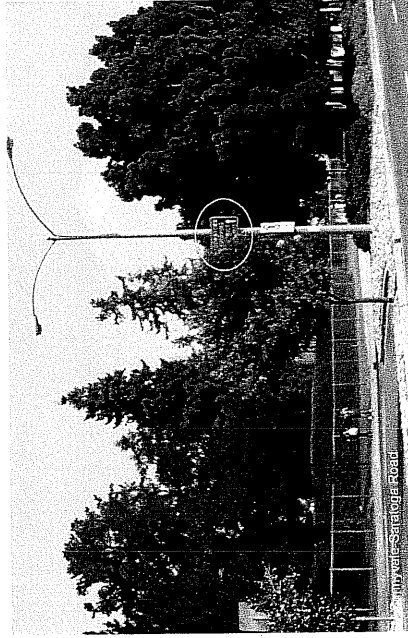
- ☐ Art and Wine
- ☐ Summer Music
- ☐ Tree Lighting
- ☐ Harvest
- ☐ Easter Parade

■ Marketing

- ☐ Mercury News
- ☐ Community Newspapers
- ☐ Letter to the Editor
- ☐ Flyers
- ☐ Promotional Programs

Agreements

- This needs to be done now, not after the mall
- Business owners could participate
- Program must be comprehensive – we need to share the objective to promote Sunnyvale's downtown and business districts
 - not just now, but all the time



Costs

- The city, the landlords, the businesses should all participate in building this program
- Time is of the essence, we cannot wait for the “mall” to begin this process